

AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 3589
OFFERED BY MRS. CHRISTENSEN

Strike all after the enacting clause and insert the following new text:

1 SECTION 1. CHIEF FINANCIAL OFFICER OF THE VIRGIN IS-
2 LANDS.

3 (a) APPOINTMENT OF CHIEF FINANCIAL OFFICER.—

4 (1) IN GENERAL.—The Governor of the Virgin
5 Islands shall appoint a Chief Financial Officer, with
6 the advice and consent of the Legislature of the Vir-
7 gin Islands, from the names on the list required
8 under section 2(d). If the Governor has nominated
9 a person for Chief Financial Officer but the Legisla-
10 ture of the Virgin Islands has not confirmed a nomi-
11 nee not later than 90 days after receiving the list
12 pursuant to section 2(d), the Governor shall appoint
13 from such list a Chief Financial Officer on an acting
14 basis until the Legislature consents to a Chief Fi-
15 nancial Officer.

16 (2) ACTING CHIEF FINANCIAL OFFICER.—If a
17 Chief Financial Officer has not been appointed
18 under paragraph (1) within 180 days after the date



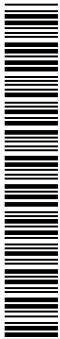
1 of the enactment of this Act, the Secretary of the
2 Interior shall appoint from the names on the list
3 submitted under section 2(d), an Acting Chief Fi-
4 nancial Officer to serve in that capacity until a Chief
5 Financial Officer is appointed under the first sen-
6 tence of paragraph (1).

7 (b) TRANSFER OF FUNCTIONS.—

8 (1) IN GENERAL.—Upon the appointment of a
9 Chief Financial Officer under subsection (a), the
10 functions of the Director of the Office of Manage-
11 ment and Budget established under the laws of the
12 Virgin Islands shall be transferred to the Chief Fi-
13 nancial Officer.

14 (2) DOCUMENTS PROVIDED.—The head of the
15 Department of Finance of the Virgin Islands and
16 the head of the Internal Revenue Bureau of the Vir-
17 gin Islands shall provide all documents and informa-
18 tion under the jurisdiction of that head that the
19 Chief Financial Officer considers required to carry
20 out his or her functions to the Chief Financial Offi-
21 cer.

22 (c) DUTIES OF CHIEF FINANCIAL OFFICER .—The
23 duties of the Chief Financial Officer shall include the fol-
24 lowing:



1 (1) Assume the functions and authority of the
2 office of the Office of Management and Budget es-
3 tablished under the laws of the Virgin Islands as
4 transferred under subsection (b).

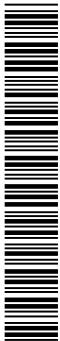
5 (2) Develop a report on the financial status of
6 the Government of the Virgin Islands not later than
7 6 months after appointment and quarterly there-
8 after. Such reports shall be available to the public.

9 (3) Each year certify spending limits of the an-
10 nual budget and whether or not the annual budget
11 is balanced.

12 (4) Monitor operations of budget for compliance
13 with spending limits, appropriations, and laws, and
14 direct adjustments where necessary.

15 (5) Develop standards for financial manage-
16 ment, including inventory and contracting, for the
17 government of the Virgin islands in general and for
18 each agency in conjunction with the agency head.

19 (6) Oversee all aspects of the implementation of
20 the financial management system provided pursuant
21 to section 3 to ensure the coordination, trans-
22 parency, and networking of all agencies' financial,
23 personnel, and budget functions.



1 (7) Provide technical staff to the Governor and
2 legislature of the Virgin Islands for development of
3 a deficit reduction and financial recovery plan.

4 (d) DEPUTY CHIEF FINANCIAL OFFICER.—Until the
5 date that is 5 years after the date of the enactment of
6 this Act, the position of the Director of the Office of Man-
7 agement and Budget of the Virgin Islands shall—

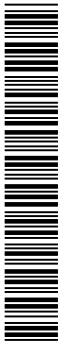
8 (1) have the duties, salary (as specified in sub-
9 section (f)(3)), and other conditions of the Deputy
10 Chief Financial Officer in lieu of the duties, salary,
11 and other conditions of the Director of the Office of
12 Management and Budget of the Virgin Islands as
13 such functions existed before the appointment of the
14 Chief Financial Officer; and

15 (2) assist the Chief Financial Officer in car-
16 rying out the duties of the Chief Financial Officer.

17 (e) CONDITIONS RELATED TO CHIEF FINANCIAL OF-
18 FICER.—

19 (1) TERM.—The Chief Financial Officer shall
20 be appointed for a term of 5 years.

21 (2) REMOVAL.—The Chief Financial Officer
22 shall not be removed except for cause. An Acting
23 Chief Financial Officer may be removed for cause or
24 by a Chief Financial Officer appointed with the ad-



1 vice and consent of the Legislature of the Virgin Is-
2 lands.

3 (3) REPLACEMENT.—If the Chief Financial Of-
4 ficer is unable to continue acting in that capacity
5 due to removal, illness, death, or otherwise, another
6 Chief Financial Officer shall be selecting in accord-
7 ance with subsection (a).

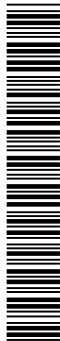
8 (4) SALARY.—The Chief Financial Officer shall
9 be paid at a salary to be determined by the Governor
10 of the Virgin Islands, except such rate may not be
11 less than the rate of pay for a cabinet officer of the
12 Government of the Virgin Islands.

13 (f) CONDITIONS RELATED TO DEPUTY CHIEF FI-
14 NANCIAL OFFICER.—

15 (1) TERM; REMOVAL.—The Deputy Chief Fi-
16 nancial Officer shall serve at the pleasure of the
17 Chief Financial Officer.

18 (2) REPLACEMENT.—If the Deputy Chief Fi-
19 nancial Officer is unable to continue acting in that
20 capacity due to removal, illness, death, or otherwise,
21 another person shall be selected by the Chief Finan-
22 cial Officer to serve as Deputy Chief Financial Offi-
23 cer.

24 (3) SALARY.—The Deputy Chief Financial Offi-
25 cer shall be paid at a salary to be determined by the



1 Chief Financial Officer, except such rate may not be
2 less than the rate of pay for a cabinet officer of the
3 Government of the Virgin Islands.

4 (g) RESUMPTION OF FUNCTIONS.—On the date that
5 is 5 years after the date of the enactment of this Act,
6 the functions of the Chief Financial Officer shall be trans-
7 ferred to the Director of the Office of Management and
8 Budget of the Virgin Islands.

9 (h) SUNSET.—This section shall cease to have effect
10 after the date that is 5 years after the date of the enact-
11 ment of this Act.

12 **SEC. 2. ESTABLISHMENT OF COMMISSION.**

13 (a) ESTABLISHMENT.—There is established a com-
14 mission to be known as the “Virgin Islands Chief Finan-
15 cial Officer Search Commission”.

16 (b) DUTY OF COMMISSION.—The Commission shall
17 recommend to the Governor not less than 3 candidates for
18 nomination as Chief Financial Officer of the Virgin Is-
19 lands. Each candidate must have demonstrated ability in
20 general management of, knowledge of, and extensive prac-
21 tical experience in governmental or business entities and
22 must have experience in the development, implementation,
23 and operation of financial management systems.

24 (c) MEMBERSHIP.—



1 (1) NUMBER AND APPOINTMENT.—The Com-
2 mission shall be composed of 8 members appointed
3 not later than 30 days after the date of the enact-
4 ment of this Act. Persons appointed as members
5 must have recognized business, government, or fi-
6 nancial expertise and experience and shall be ap-
7 pointed as follows:

8 (A) 1 individual appointed by the Governor
9 of the Virgin Islands.

10 (B) 1 individual appointed by the Presi-
11 dent of the Legislature of the Virgin Islands.

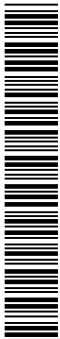
12 (C) 1 individual, who is an employee of the
13 Government of the Virgin Islands, appointed by
14 the Central Labor Council of the Virgin Is-
15 lands.

16 (D) 1 individual appointed by the Chamber
17 of Commerce of St. Thomas-St. John.

18 (E) 1 individual appointed by the Chamber
19 of Commerce of St. Croix.

20 (F) 1 individual appointed by the Presi-
21 dent of the University of the Virgin Islands.

22 (G) 1 individual appointed by the Chief
23 Judge of the Virgin Islands Territorial Court.



1 (H) 1 individual, who is a resident of St.
2 John, appointed by the At-Large Member of the
3 Legislature of the Virgin Islands.

4 (2) TERMS.—

5 (A) IN GENERAL.—Each member shall be
6 appointed for the life of the Commission.

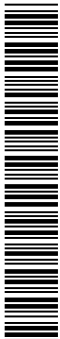
7 (B) VACANCIES.—A vacancy in the Com-
8 mission shall be filled in the manner in which
9 the original appointment was made. Any mem-
10 ber appointed to fill a vacancy shall be ap-
11 pointed for the remainder of that term.

12 (3) BASIC PAY.—Members shall serve without
13 pay.

14 (4) QUORUM.—Five members of the Commis-
15 sion shall constitute a quorum.

16 (5) CHAIRPERSON.—The Chairperson of the
17 Commission shall be the Secretary of the Interior or
18 his or her designee and shall serve as an ex officio
19 member of the Commission and shall vote only in
20 the case of a tie.

21 (6) MEETINGS.—The Commission shall meet at
22 the call of the Chairperson. The Commission shall
23 meet for the first time not later than 30 days after
24 all members have been appointed under this sub-
25 section.



1 (7) GOVERNMENT EMPLOYMENT.—Members
2 may not—

3 (A) be current government employees, ex-
4 cept for the member appointed under paragraph
5 (1)(C); and

6 (B) have served in a policymaking or un-
7 classified position of the Government of the Vir-
8 gin Islands in the 10 years immediately pre-
9 ceding appointment to the Commission.

10 (d) REPORT; RECOMMENDATIONS.—The Commission
11 shall transmit a report to the Governor and the Secretary
12 of the Interior not later than 60 days after its first meet-
13 ing. The report shall name the Commission's recommenda-
14 tions for candidates for nomination as Chief Financial Of-
15 ficer of the Virgin Islands. If the Commission fails to
16 make such recommendations within 60 days after its first
17 meeting, the Secretary of the Interior shall independently
18 make these recommendations to the Governor not later
19 than 90 days after the Commission's first meeting.

20 (e) TERMINATION.—The Commission shall terminate
21 60 days after its first meeting.

22 **SEC. 3. FINANCIAL MANAGEMENT SYSTEM.**

23 Not later than 1 year after the date of the enactment
24 of this Act, the Secretary of the Interior shall provide a
25 financial management system, including appropriate com-



puter hardware and software, to the Government of the Virgin Islands. The financial management system shall be available to the Chief Financial Officer and, after the date that is 5 years after the date of the enactment of this Act, the Director of the Office of Management and Budget of the Virgin Islands, to assist the Chief Financial Officer or the Director of the Office of Management and Budget of the Virgin Islands, as the case may be, to carry out the official duties of that office.

SEC. 4. DEFINITIONS.

For the purposes of this Act, the following definitions apply:

(1) CHIEF FINANCIAL OFFICER.—In sections 1 and 2, the term “Chief Financial Officer” means a Chief Financial Officer or Acting Chief Financial Officer, as the case may be, appointed under section 1(a).

(2) COMMISSION.—The term “Commission” means the Virgin Islands Chief Financial Officer Search Commission established pursuant to section 2.

(3) GOVERNOR.—The term “Governor” means the Governor of the Virgin Islands.

